

<i>SERFF Tracking Number:</i>	<i>LBLI-125869512</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Liberty Life Insurance Company</i>	<i>State Tracking Number:</i>	<i>40677</i>
<i>Company Tracking Number:</i>	<i>AN3004-CS</i>		
<i>TOI:</i>	<i>A02I Individual Annuities- Deferred Non-Variable</i>	<i>Sub-TOI:</i>	<i>A02I.003 Single Premium</i>
<i>Product Name:</i>	<i>AN3004 and AN3005</i>		
<i>Project Name/Number:</i>	<i>Added Rate Guarantee/</i>		

## Filing at a Glance

Company: Liberty Life Insurance Company	SERFF Tr Num: LBLI-125869512	State: ArkansasLH
Product Name: AN3004 and AN3005	SERFF Status: Closed	State Tr Num: 40677
TOI: A02I Individual Annuities- Deferred Non-Variable		
Sub-TOI: A02I.003 Single Premium	Co Tr Num: AN3004-CS	State Status: Approved-Closed
Filing Type: Form	Co Status:	Reviewer(s): Linda Bird
	Authors: Damon Amato, Julie Duncan	Disposition Date: 10/28/2008
	Date Submitted: 10/23/2008	Disposition Status: Approved
Implementation Date Requested: On Approval		Implementation Date:
State Filing Description:		

## General Information

Project Name: Added Rate Guarantee	Status of Filing in Domicile: Not Filed
Project Number:	Date Approved in Domicile:
Requested Filing Mode: Review & Approval	Domicile Status Comments: This product is exempt in SC, our domicile state.
Explanation for Combination/Other:	Market Type: Individual
Submission Type: New Submission	Group Market Size:
Overall Rate Impact:	Group Market Type:
Filing Status Changed: 10/28/2008	
State Status Changed: 10/28/2008	Deemer Date:
Corresponding Filing Tracking Number:	
Filing Description:	
We are enclosing for your approval a revised scheduled page that adds:	
(a) a new form number in the bottom left corner [previously, the schedule page was approved without any form number], and	
(b) a line that states "GUARANTEED INTEREST RATE FOR YEARS 4-6." This change allows the customer the option,	

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at the time of purchase, to lock in a rate guarantee for 6 years.

Form AN3004-CS will be the schedule page used with contract AN3004, which was approved by the DOI on 08/07/98.  
Form AN3005-CS will be the schedule page used with contract AN3005, which was approved by the DOI on 08/07/98.

We have also updated our product disclosure, and I have added it to this filing for reference purposes. To the best of my knowledge and belief, these forms comply with the statutory and regulatory requirements of your state. If you have any questions or need additional information, please contact me at (864) 609-4815 or e-mail at [damon.amato@rbc.com](mailto:damon.amato@rbc.com).  
Thank you again for your consideration.

## Company and Contact

### Filing Contact Information

Damon Amato, Sr. Compliance Analyst	<a href="mailto:damon.amato@rbc.com">damon.amato@rbc.com</a>
2000 Wade Hampton Blvd	(864) 609-4815 [Phone]
Greenville, SC 29602	(864) 609-3484[FAX]

### Filing Company Information

Liberty Life Insurance Company	CoCode: 61492	State of Domicile: South Carolina
2000 Wade Hampton Blvd	Group Code:	Company Type:
Greenville, SC 29602	Group Name:	State ID Number:
(864) 609-4815 ext. [Phone]	FEIN Number: 44-0188050	

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## Filing Fees

Fee Required?	Yes
Fee Amount:	\$100.00
Retaliatory?	No
Fee Explanation:	\$50.00 x 2 = \$100.00
Per Company:	No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Liberty Life Insurance Company	\$100.00	10/23/2008	23429836

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<i>Product Name:</i>	<i>AN3004 and AN3005</i>		
<i>Project Name/Number:</i>	<i>Added Rate Guarantee/</i>		

## Correspondence Summary

### Dispositions

<b>Status</b>	<b>Created By</b>	<b>Created On</b>	<b>Date Submitted</b>
Approved	Linda Bird	10/28/2008	10/28/2008

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<i>Product Name:</i>	<i>AN3004 and AN3005</i>		
<i>Project Name/Number:</i>	<i>Added Rate Guarantee/</i>		

## Disposition

Disposition Date: 10/28/2008

Implementation Date:

Status: Approved

Comment:

Rate data does NOT apply to filing.

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<b>Item Type</b>	<b>Item Name</b>	<b>Item Status</b>	<b>Public Access</b>
<b>Supporting Document</b>	Certification/Notice		Yes
<b>Supporting Document</b>	Application		No
<b>Supporting Document</b>	Life & Annuity - Acturial Memo		No
<b>Supporting Document</b>	Product Disclosure		Yes
<b>Form</b>	Schedule Page		Yes
<b>Form</b>	Schedule Page		Yes

SERFF Tracking Number:	LBLI-125869512	State:	Arkansas
Filing Company:	Liberty Life Insurance Company	State Tracking Number:	40677
Company Tracking Number:	AN3004-CS		
TOI:	A021 Individual Annuities- Deferred Non-Variable	Sub-TOI:	A021.003 Single Premium
Product Name:	AN3004 and AN3005		
Project Name/Number:	Added Rate Guarantee/		

## Form Schedule

Lead Form Number: AN3004-CS

Review Status	Form Number	Form Type	Form Name	Action	Action Specific Data	Readability	Attachment
	AN3004-CS	Schedule Pages	Schedule Page	Initial		54	AN3004-CS.pdf
	AN3005-CS	Schedule Pages	Schedule Page	Initial		54	AN3005-CS.pdf

**Single Premium Deferred Annuity Contract****CONTRACT SCHEDULE**

OWNER AND ADDRESS:	JOHN J DOE
NAME OF ANNUITANT:	123 MAIN BEAR, DE 19701 JOHN J DOE
CONTRACT NUMBER:	43153605
AGE OF OWNER:	52
AGE OF ANNUITANT:	52
SEX OF OWNER:	MALE
SEX OF ANNUITANT:	MALE
CONTRACT DATE:	JULY 15, 2002
MATURITY DATE:	JULY 15, 2017
PREMIUM PAYMENT:	\$100,000.00
PLAN TYPE:	NON-QUALIFIED
MARKET VALUE ADJUSTMENT PERIOD*:	6 Years
GUARANTEED FIRST YEAR INTEREST RATE:	4.75%
GUARANTEED SECOND & THIRD YEAR INTEREST RATE:	4.75%
GUARANTEED INTEREST RATE FOR YEARS 4-6:	4.75%
MINIMUM GUARANTEED INTEREST RATE:	3%
WITHDRAWAL CHARGE*	CONTRACT YEAR: 1 2 3 4 5 6 7+
	PERCENTAGE: 7% 7% 7% 6% 4% 2% 0%

\* IN THE 3RD CONTRACT YEAR, YOU MAY ELECT THE OPTION TO GUARANTEE INTEREST RATES. IF YOU DO SO, THESE WILL CHANGE. PLEASE SEE PAGE 4.

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## **Rate Information**

Rate data does NOT apply to filing.

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## Supporting Document Schedules

### Review Status:

**Satisfied -Name:** Certification/Notice

10/22/2008

#### Comments:

#### Attachments:

AR Certification of Compliance.pdf

READABILITY COMPLIANCE CERTIFICATION.pdf

### Review Status:

**Satisfied -Name:** Product Disclosure

10/22/2008

#### Comments:

#### Attachment:

S7427 3+3 MYG.pdf

## **CERTIFICATION OF COMPLIANCE**

LIBERTY LIFE INSURANCE COMPANY has reviewed the guidelines for Non-Guaranteed Costs on Non-Participating life insurance and certifies that to the best of its knowledge and belief, the filing of form(s) AN3004-CS and AN3005-CS are consistent and in compliance with them. We are also in compliance with Rule and Regulation 19 and 49 and with 23-79-138.

A handwritten signature in cursive script, reading "Mark S. Wessel", positioned above a horizontal line.

Mark S. Wessel  
Compliance Officer

10/23/08  
Date

## READABILITY COMPLIANCE CERTIFICATION

1. Insurer: Liberty Life Insurance Company  
PO Box 789  
Greenville, South Carolina 29602-0789
2. Certification: I hereby certify that the forms listed below produce Flesch reading ease scores which meet the minimum score required in your state.

In addition, I certify that the forms, except for schedules and tables, are printed in 10 point type, one point leaded. The words and terminology exempted are: (a) all words and terms defined in the forms, (b) all captions and subcaptions, (c) all tables and schedules, and (d) all medical terms. All exempted items are permitted in your state.

### READABILITY SCORE

<u>Name of Form</u>	<u>Form Number</u>	<u>Flesch Score</u>
Contract Schedule Page	AN3004-CS	54.0
Contract Schedule Page	AN3005-CS	54.0



October 23, 2008  
Date

Mark S. Wessel  
Officer Policy Forms/Compliance

Liberty Life Insurance Company, PO Box 19087, Greenville, SC 29602-9087 Phone: (800) 234-5514  
 Overnight Address: 2000 Wade Hampton Boulevard, Greenville, SC 29615

### DISCLOSURE STATEMENT

This document reviews important points to think about before you buy this RBC Insurance annuity. This annuity is single-premium which means you buy it with one premium (payment). It is a fixed annuity which means it earns a specified interest rate during the guaranteed period. This annuity is **tax-deferred**, which means you don't pay taxes on the interest it earns until the money is paid to you. You can use an annuity to save money for retirement and to receive retirement income for life. It is **not** meant to be used to meet short-term financial goals. **If you have questions about this annuity, please ask your agent, broker, or advisor, or contact a company representative at 1-800-234-5514.**

#### THE ANNUITY CONTRACT

##### How will the value of my annuity grow?

Your annuity earns **tax-deferred** interest at a **guaranteed minimum rate** for a **guaranteed period**. This annuity has an initial six-year guaranteed interest rate. After the initial six years, the interest rate will renew at a rate that may be higher or lower than the guaranteed interest rate, but it will never be lower than 3.00%. For example, if you pay a premium of \$100,000 with a guaranteed interest rate of 5.00%, then on the sixth contract anniversary, your account value will equal \$134,009.56. **The account value of your annuity cannot go down.**

If the +3 option is chosen at the end of the first three contract years, the interest rate for years 4 through 6 will receive an additional 50 basis points (0.50%). For example, if you choose the +3 Option and your annuity's guaranteed rate is 5.00%, you'll receive an additional 0.50%, making your interest rate 5.50% for years 4 through 6. For years 7+, you will receive an interest rate that may be higher or lower than the guaranteed interest rate, but it will never be lower than 3.00%.

#### BENEFITS

##### How do I get income payments from my annuity?

This annuity offers the following income payment options:

- **Life:** Guarantees income for as long as you live.
- **Joint and survivor life:** Guarantees income for as long as you or your joint annuitant (usually a spouse) lives.
- **Fixed Period:** Pays income only for that number of years (usually not above 10 years).
- **Fixed amount:** Pays a fixed income amount until the account value reaches zero.

Other income options may be available at the time of annuitization. You may change both the start date and the payout option up until payout begins. After that, you can't make any changes.

#### ACCESS TO YOUR MONEY DURING GROWTH

##### Can I access my money without withdrawal charges?

This annuity offers many ways to access funds without incurring withdrawal charges. Consult the contract for details, since certain conditions apply.

- **Interest only:** Interest credited to the annuity may be withdrawn on a monthly, quarterly, semi-annual, or annual basis.
- **10% Free:** Up to 10% of accumulation value may be withdrawn free of charge once each year after the first contract year.
- **IRS Required Minimum Distribution.**
- **Confinement or Terminal Illness:** The full accumulation value may be withdrawn in the event of confinement or terminal illness after the first contract year (where allowed by state).

#### WITHDRAWAL CHARGES AND SURRENDERS

##### What happens if I take out some or all of the money from my annuity?

Except as allowed by the above provisions, we will deduct a withdrawal charge if you make a partial withdrawal or full surrender in the first 6 years of the contract. The withdrawal charge is a percentage of the accumulated value. At each contract anniversary, the charge may remain the same or gradually decline, eventually reaching 0 once the withdrawal charge period is complete. Here's how the charge is calculated:

Contract Year	1	2	3	4	5	6	7+
Withdrawal Charge (%)	7	7	7	6	4	2	0

If you choose the +3 Option, your withdrawal charge period will begin again after year 3, extending the withdrawal charge period to 9 years total. Here's how the charge is calculated if the +3 Option is selected:

Contract Year	1 – 6	7	8	9	10+
Withdrawal Charge (%)	7	6	4	2	0

When you make a withdrawal, we also may increase or decrease the amount you receive based on a **market value adjustment (MVA)**. If interest rates went up after you bought your annuity, the MVA likely will decrease the amount you receive. If interest rates went down, the MVA likely will increase the amount you receive. The MVA, if applicable, is in effect for the entire withdrawal charge period (first 6 years of the contract; if the +3 Option is chosen, first 9 years of the contract).

#### TAX STATUS

##### **How will payouts and withdrawals from my annuity be taxed?**

This annuity is tax-deferred, which means you don't pay taxes on the interest it earns until the money is paid to you. When you take payouts or make a withdrawal, you pay ordinary income taxes on the earned interest. You also pay a 10% federal income tax penalty on earnings you withdraw before age 59 1/2. If your state imposes a premium tax, it will be deducted from the money you receive.

You can exchange one tax-deferred annuity for another without paying taxes on the earnings when you make the exchange. Before you do, compare the benefits, features, and costs of the two annuities. You may pay a surrender charge if you make the exchange during the first six years you own the annuity. Also, you may pay a surrender charge if you make withdrawals from the new annuity during the first years you own it.

##### **Does buying an annuity in a retirement plan provide extra tax benefits?**

Buying an annuity within an IRA, 401(k), or other tax-deferred retirement plan doesn't give you any extra tax benefits. Choose your annuity based on its other features and benefits as well as its risks and costs, not its tax benefits.

#### DEATH BENEFIT

This annuity is an owner-driven contract. If the owner dies during the annuity's accumulation phase, the annuity's value is paid to the beneficiary. If the annuitant (the person whose life the annuity's income payments are based on) dies prior to the owner, in most cases the owner selects a new annuitant, the contract continues and no death proceeds are paid out.

#### OTHER INFORMATION

##### **What else do I need to know?**

- Once you start to receive your income payouts, you can't surrender your annuity.
- We pay a commission to the agent, broker, or firm for selling the annuity to you.
- Many states have laws that give you a set number of days to look at an annuity after you buy it. This is called the **free look period**. If you decide during that time that you don't want it, you can return the annuity and get all your money back. Read your contract (page 1) to learn about this annuity's free look period. Generally, it is limited to the first 31 days.

##### **What should I know about the insurance company?**

RBC Insurance is the brand name for **Liberty Life Insurance Company**, a part of the global insurance operations of Royal Bank of Canada. RBC Insurance offers a diversified range of life protection and wealth accumulation products that help individuals and businesses manage risk and build for the future.